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5. General

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COCOM Document 3715.23/4B

COORDINATING COMMITTEERECORD OF DISCUSSIONONITEM 1523 - LINE COMMUNICATION TRANSMISSION EQUIPMENT15th December 1959

Present: Belgium(Luxembourg), France, Germany, Italy, Japan, Netherlands, United Kingdom, United States.

References: COCOM Docs. Nos. 3700.2 and 9, 3715.00/1, 3715.23/1 - 3 and W.P. 1523/1.

1. The CHAIRMAN invited the Committee to resume discussion on Item 1523 and recalled that the German proposal to add an exclusion to sub-item (a) of this item had been supported by the majority of the Committee (COCOM Doc. No. 3715.23/2). He explained that the United States Delegation had that very day submitted a new proposal in COCOM Doc. No. 3715.23/3.
2. The GERMAN Delegate stated that he was very disappointed by the United States proposal in view of the almost unanimous agreement reached on the proposal submitted by his Delegation on the 4th December. He recalled that the German Delegation had for several years contested the strategic value of certain equipment covered by this item, and stressed that they had, in a spirit of compromise, considerably reduced the scope of the exclusion they had originally proposed. The German Delegation would not under any circumstances be able to accept a prior notification procedure for the part of this item which they wished to exclude.
3. Turning to the United States proposal in detail, the Delegate first referred to sub-paragraph (1)(a) where it was stated that the equipment should not operate at frequencies above 60 Kc/s. This would only allow 12 channels in one direction and should therefore be amended to provide for 108 Kc/s in both directions and in different frequency bandwidths. Referring to sub-paragraph (d), the Delegate found the wording too vague and felt that it should either be deleted or made clearer. As to sub-paragraph (e) where it was stated that no more than one single 12-channel repeater should be provided, the Delegate pointed out that the number of repeaters required depended on the distance to be covered, and could not be determined beforehand.
4. The Delegate stressed that, since Soviet production of equipment incorporating up to 60 channels was amply sufficient, the release of the equipment excluded under the German proposal could not incur any security risk. The Delegate nevertheless recognised that the Committee might wish to watch the flow of exports, and he was therefore ready to make one final concession and agree that the exclusion proposed by his Delegation should take the form of a note allowing administrative exceptions. This last proposal was obviously subject to the approval of the delegations who had already supported the previous German proposal.
5. The UNITED STATES Delegate stated that, as the Committee could see, the formula proposed by his Delegation in this instance was closely related to that suggested for Item 1520. The question of principle involved in the choice between a prior notification procedure and a system of administrative exceptions was therefore identical. In reply to the German Delegate's detailed comments on the United States proposal, the Delegate stated that he could agree ad referendum to the change proposed by the German Delegate for sub-paragraph (1)(a). As to sub-paragraph (1)(d), the United States Delegation believed that, depending on the area, there might be varying degrees of possible strategic use for the equipment concerned. If the installation of such equipment could be envisaged

in an agricultural area, far from any strategic industry, military installation or military communications network, the installation of the same equipment in areas near missile installations or strategic complexes would entail very great risks. The United States Delegation believed that in this field Member Governments should be able to base their decisions on all the information available from intelligence sources. As to sub-paragraph (e), the Delegate explained that the aim was to ensure that each station had only one repeater in order to avoid the large volume of communications which would be made possible by installing a set of repeaters in one single repeater station.

6. The UNITED KINGDOM Delegate, recalling that he had already accepted the German exclusion, agreed to the administrative exceptions formula at present proposed by that Delegation. He noted the very reduced scope of the present German proposal when compared with the original one. The United Kingdom Delegation, for their part, were convinced that this proposal could incur but a negligible strategic risk and, since the Bloc were not suffering from a critical shortage in this respect, it was highly unlikely that exports would be put to strategic use. The Delegate stressed that the development of the Bloc's communications systems was based on the use of coaxial cable or radio relays for which the equipment freed under the German proposal would not be appropriate. In conclusion, the Delegate stated for this item, as for Item 1501, it was possible to make a technical distinction between strategic and non-strategic equipment. Since the German Delegation had established such a distinction, the United Kingdom Delegation saw no need for the complicated system proposed by the United States Delegation.

7. The FRENCH Delegate agreed to the latest German proposal and noted that, for this item as for Item 1520, the question of principle should be settled first and foremost: should supplies of equipment covered by Item 1523 and having civilian application be notified to the Committee before or after licensing? He confirmed that he was unable to agree to a prior consultation procedure.

8. The ITALIAN Delegate agreed ad referendum to the administrative exceptions system proposed by Germany.

9. The NETHERLANDS Delegate felt that for Item 1523 it was not necessary to make use of the prior consultation procedure; he therefore agreed to the administrative exceptions system.

10. The GERMAN Delegate again stated that his authorities could not accept the prior consultation or prior notification procedure in the present instance. He urged the United States Delegation to transmit his Delegation's latest concession to their Government and hoped that the latter would be able to reconsider their position.

11. The UNITED STATES Delegate explained that his authorities had already considered the possibility of a note allowing administrative exceptions and that, after the most deliberate examination of all the factors involved, they had reached the conclusion that such a procedure would not be appropriate for this item.

12. The UNITED STATES Delegate wished to reply to the comments made by various delegations on the Sino-Soviet Bloc supply position as regards certain items in the communications field. He stressed that the position adopted by his Government was based on an extremely thorough study of a considerable volume of information regarding Sino-Soviet Bloc needs and production. It was this study which had led the United States Government to conclude that the Communist countries were suffering from a critical deficiency. The Delegate believed that it would not be very reasonable to base an analysis of the Bloc's position and of the strategic value of the items concerned on spasmodic exports made by the Bloc or its satellites, since such exports could have many different causes. The Delegate feared that the Committee did not fully appreciate the strategic importance of the items under discussion and, without wishing to doubt the concern of all Member Governments to protect Free World security, the United States Delegation noted that the problem was not approached in the same way by all countries. They would once more stress that their Government believed that the items

concerned would constitute a vital contribution to the Sino-Soviet Bloc military potential. Western exports would make an appreciable increase in the Bloc's defence and counter-attack possibilities. This was why the United States Delegation believed that no exports of this equipment should be made to the Sino-Soviet Bloc before all Member Governments had had the opportunity of giving their views in the Committee.

13. The GERMAN Delegate stated that he found it difficult to agree that there was a critical shortage of this equipment in the Sino-Soviet Bloc. The German Government believed that administrative exceptions would only involve a small fraction of communications equipment and would not therefore entail any security risk.

14. The CHAIRMAN noted that, in trying to establish a uniform practice in the application of its controls under Items 1520, 1523 and 1526, the Committee had come up against the same difficulty, viz. choosing between an administrative exceptions procedure accompanied by strict conditions - a formula to which almost all delegations agreed - and the more flexible prior consultation procedure advocated by one delegation who believed that in this particularly delicate sphere each case should be notified to the Committee before final licensing. If it had not been possible to find a solution to the key problem facing the Committee, it had nevertheless been possible to discover a large measure of unanimous agreement as to certain technical characteristics and certain conditions which should help when submitting and considering exception requests. The Chairman asked if the Committee wished to set a date for the resumption of discussion and himself felt that some time should be allowed for Member Governments to re-examine the matter in the light of the latest discussions.

15. The FRENCH, GERMAN, ITALIAN, NETHERLANDS and UNITED KINGDOM Delegates wanted to resume discussion on the 11th or 18th January.

16. The UNITED STATES Delegate believed it preferable to resume discussion only if Governments were certain that there was a possibility of reaching agreement beforehand, since, in his view, there was nothing more to say on these items. In the United States, the question had been studied at the highest level and he had no reason to believe that his Government would be willing to change their present views. He therefore suggested that the Committee recognise that no agreement had been possible on a new definition and that the existing definition remained unchanged.

17. The GERMAN Delegate, in reply to his United States colleague's last statement, stated that his Delegation had just made a further concession by adopting an administrative exceptions formula for what had been a pure and simple exclusion. Although this possibility had already been considered by the United States authorities, a new factor had arisen: this concession had been officially proposed and supported by the large majority of the Committee. The Delegate therefore urged the United States Delegation to transmit to their authorities the wish of delegations to re-examine the matter.

18. The FRENCH, ITALIAN, JAPANESE and NETHERLANDS Delegates concurred in the German Delegate's remarks and stressed that if further concessions were made on both sides, the Committee might be able to set up a system of ex post facto notification on the basis of certain elements in part 5 of the United States proposal.

19. The UNITED STATES Delegate said that, with respect to items as important as this, his Government felt that all Member Governments should be interested in exposing contemplated exports of any equipment covered by the embargo to all the information and advice that other Member Governments might be able to offer.

20. After a further exchange of views, the COMMITTEE agreed to resume discussion on the 25th January, 1960.